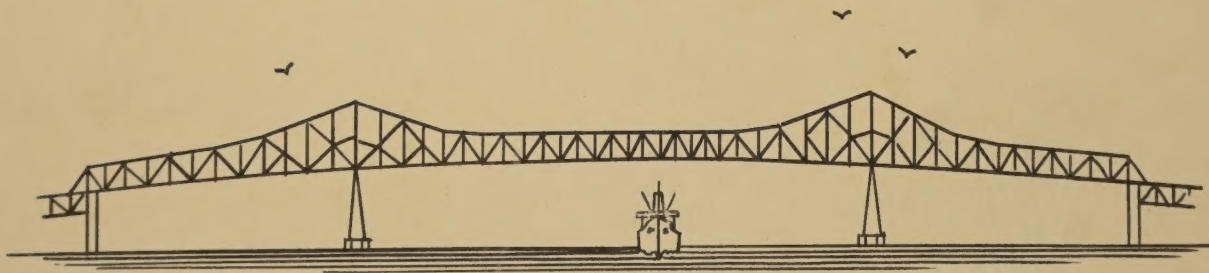


PREPARED ESPECIALLY FOR:
The Honorable

For Your Information
Facts and Data
on the
PROPOSED ASTORIA-MEGLER BRIDGE



Prepared and Presented
by
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INTRODUCTION

Public crossing at the mouth of the Columbia River has been a major problem since the area was first settled more than 150 years ago. This water gap is Oregon's most pressing problem. The nearest bridge crossing is 45 miles upstream at Longview, with no highway paralleling the river on the Washington side. And, it is the only break for easy vehicular travel on U. S. Highway 101 from Mexico to Canada.

Scheduled ferry service between the two states at this point in the river began in 1921 and has been operated by the State of Oregon since 1946. Today's highways are the arteries that carry the life blood of commerce, but the Astoria-Megler ferry system restricts this flow. Statistics prove that automobile and truck traffic avoids this area principally because of time delays in waiting for a ferry, missing ferry schedules and too frequent overloads. Trucks travel mostly at night at which time there is no ferry service. Ferries also limit truck weights and heights to maximums below those permitted by law on the highways which further handicap and injure the economy of the area. Further economic loss is Oregon's due to the fact that untold numbers of tourists are by-passing the coastal areas because of delays encountered by the ferries.

The urgent need for the proposed Astoria-Megler bridge is confirmed by the favorable attitude toward it as expressed by the general public and by the action of the Oregon Legislature in 1959 by authorizing the issuance of general obligation bonds for its construction. This is further emphasized by the passage of legislation by overwhelming margins by the Washington Senate and House during their 1961 session.

The Astoria-Megler bridge will surely offer untold benefits to Oregon and Washington. No more delay should keep this bridge from becoming a reality and opening up "new horizons" to all of the people who live and travel in these two great states.

LEGISLATIVE HISTORY

The Astoria-Megler Bridge is a proposed 4.1 mile toll highway bridge connecting Astoria, Oregon with Point Ellice near Megler, Washington. This bridge has been under consideration for many years, and in 1953, through the cooperative efforts of the Oregon State Highway Department, the Washington Toll Bridge Authority, Pacific County in Washington, and the Port of Astoria, a fund of \$50,000 was established to conduct a feasibility study. The 1957 Legislatures of Oregon and Washington appropriated \$200,000 for preparing complete and final plans for the bridge.

The bridge has been designed by the Oregon State Highway Department and the estimated cost of construction is \$22,000,000. The Washington highway approach cost estimate is \$180,000 and the Oregon highway approach cost estimate is \$1,500,000.

The 1959 Oregon Legislature authorized the Oregon Highway Department to issue up to \$24,000,000 in general obligation bonds to construct the bridge, subject to the negotiating of an agreement between the Oregon and Washington Highway Commissions wherein each state agree to share any deficiency between the toll revenues and the cost of operation, maintenance and principal and interest on the bonds issued.

The 1959 Washington Legislature had adjourned before the 1959 Oregon Legislature had authorized this bond issue and the Washington Highway Commission lacked the authority to enter into the necessary agreement with

Oregon. Consequently, no further action could be taken on this subject until the Washington Legislature convened in 1961.

During the interim between the 1959 and 1961 Legislative sessions, the Washington Legislative Interim Highway Committee retained Bertram H. Lindman, a Washington, D. C. engineer and economist, to make a study to determine the economic benefits to Washington by the construction of the Astoria-Megler bridge. His report to this interim committee concluded that the economic benefits derived from its construction would accrue 70 to 75 per cent to Oregon areas and 25 to 30 per cent to Washington areas.

During this same period several joint meetings were held by the Oregon and Washington Legislative Interim Highway Committees. The most recent meeting was held on January 28, 1961, at which time the Washington Committee proposed that because of the Oregon ferry deficit which could be expected to reach \$250,000 a year by 1965, Oregon should pick up the first \$250,000 of any deficit in any year and the balance divided on a 50-50 basis with Washington's share not to exceed \$200,000 in any year. The Oregon committee counter-proposed that Oregon pick up the first \$100,000 of any deficit and the balance be divided on a 50-50 basis. Washington's proposal called for each state to construct its own respective highway approaches to the bridge, whereas Oregon's proposal called for the highway approaches to be a part of the bond issue.

On the basis of the Washington proposal, the percentage contributed by Washington of any deficit would be about 30 per cent plus the cost of the Washington highway approach of \$180,000. On the basis of the Oregon proposal, the percentage to be contributed by Washington would be about 43 per cent, including the cost of the two highway approaches.

1961 WASHINGTON LEGISLATIVE ACTION

During the 1961 session of the Washington Legislature, the Senate Committee on Highways submitted S. B. No. 431, which appropriated funds and authorized the Washington State Highway Commission to cooperate with the Oregon State Highway Commission in the construction of the Astoria-Megler toll bridge. The pertinent provisions of the Washington Act are as follows:

1. To the extent that tolls and franchise fees are insufficient in any year to provide for the payment of operational costs and the payment of principal and interest on the bonds issued by Oregon, the State of Oregon is to pay the first \$100,000 of any such deficit and the State of Washington is to pay 40 per cent of the balance of such deficit. Provided, that in no case shall the State of Washington's payment exceed \$200,000 in any year.
2. That one half the cost of maintenance and repair of the bridge be paid by the State of Washington from motor vehicle funds.
3. That each state construct its own highway approaches to the bridge and payment for same to be made from their respective motor vehicle funds.

The Washington Senate passed this bill by a vote of 39 to 3, and the Washington House concurred by a vote of 67 to 22.

Under this bill, the percentage of contribution by the State of Washington towards any deficit, not including the cost of the highway approaches is 34.4 per cent. The Washington Legislative Interim Highway Committee had

proposed a 30 per cent contribution.

OREGON'S FERRY SYSTEM

Oregon's interest in this bridge lies in the economic benefits it would provide to the state and because of the increasing subsidy required to maintain the present state-owned ferry system. As the following table shows, the net loss from operations jumped from \$54,903 in 1954 to \$161,620 in 1960, or approximately \$107,000 in only six years. This increasing loss has resulted not from any sizable loss in income, for that has remained fairly constant, but rather from increased operating expenses.

ANNUAL OPERATING STATEMENT, ASTORIA-MEGLER FERRY 1950 - 1960

<u>YEAR</u>	<u>TOTAL INCOME</u>	<u>TOTAL EXPENSES</u>	<u>NET LOSS FROM OPERATIONS</u>
1950	\$ 215,449	\$ 251,215	\$ 35,766
1951	247,323	249,765	2,442
1952	262,278	265,020	2,742
1953	248,036	283,982	35,946
1954	232,887	287,790	54,903
1955	247,699	340,355	92,656
1956	241,004	324,594	83,590
1957	223,245	319,655	96,410
1958	224,709	379,457	154,748
1959	226,700	382,048	155,348
1960	224,047	385,667	161,620
T O T A L S	\$2,593,377	\$3,469,548	\$876,171

Source: Oregon State Highway Department

If past trends continue, the annual loss by 1965 will be \$250,000, according to the Bertram H. Lindman study. All indications point toward increasing costs in wages and maintenance of the ferry system.

Two of the three ferries now being used, the 33 year old "Tourist No. 2" and the 27 year old "Tourist No. 3" barely meet the minimum Coast Guard safety standards now. Their continued operation is permitted only as a necessary stop-gap service pending the immediate construction of the bridge.

If the state delays further in constructing this bridge, it will be necessary to construct a new ferry immediately at an estimated cost of more than \$750,000. The State Highway Department also contemplates that an additional ferry would have to be purchased at a future date.

The subsidy cost to the State of Oregon for the construction of the bridge is to be weighed against the subsidy costs of a continued ferry operation. The estimated bridge subsidy cost is set forth on page 8, Schedule XIV, Debt Service Schedule. This schedule indicates a subsidy cost to the State of Oregon over a 33 year period of an average of \$346,000 per year compared to a subsidy cost to the State of Washington of an average of \$152,000 per year, a difference of \$194,000 per year, which includes Oregon's first \$100,000 payment off the top. It is estimated that the average annual maintenance cost of the bridge will be \$68,400 for each state.

The principal controlling factor as to the amount of the State of Oregon's subsidy payments is the number of vehicles using the bridge. In 1955 the traffic engineering firm of Cloverdale and Colpitts estimated gross revenues of \$40,018,000 over a 30 year operating period of the bridge. Another study made in 1958 placed the gross revenues at only

\$15,613,000. Schedule XIV estimates a gross income of \$23,730,000. This estimate was prepared by the Washington Highway Department's Planning Division in 1959 as an independent traffic analysis of the two previous studies and not meant to be precise or exhaustive, and increases in revenue would lower subsidy costs.

SCHEDULE XIV
DEBT SERVICE SCHEDULE - PROPOSED ASTORIA-MEGLER TOLL BRIDGE
30-Year Amortization Period - Level Debt Service
\$22,000,000 Bond Issue at 3 1/4 Percent (Cost of approaches and maintenance not included in project)
Based on Toll Income Estimates by Washington Department of Highways
(Amounts shown are in thousands of dollars)

Year	Gross Toll ^{2/} Income	Operating Expense	Net Income from Tolls	Oregon Basic Subsidy	Prorated Subsidy ^{3/}			Debt Service Require- ment	Bonds Outstanding Beginning of Year	Interest Payment	Maintenance Costs	
					Oregon	Washington	Total				Oregon	Washington
1961	\$ 4/	\$ 4/	\$ 4/	\$ 100	\$ 415	\$ 200	\$ 715	\$ 715	\$ 22,000	\$ 715	\$ 4/	\$ 4/
1962	4/	4/	4/	100	415	200	715	715	22,000	715	4/	4/
1963	4/	4/	4/	100	415	200	715	715	22,000	715	4/	4/
1964	553	89	444	100	415	200	715	1,159	22,000	715	56.5	56.5
1965	598	91	507	100	352	200	652	1,159	21,556	701	57.0	57.0
1966	610	92	518	100	341	200	641	1,159	21,098	686	58.0	58.0
1967	622	94	528	100	331	200	631	1,159	20,625	670	58.5	58.5
1968	635	95	540	100	319	200	619	1,159	20,136	654	59.5	59.5
1969	647	96	551	100	308	200	608	1,159	19,631	638	60.5	60.5
1970	660	97	563	100	298	198	596	1,159	19,110	621	61.5	61.5
1971	673	99	574	100	291	194	585	1,159	18,572	604	62.0	62.0
1972	687	100	587	100	283	189	572	1,159	18,017	585	63.0	63.0
1973	701	101	600	100	275	184	559	1,159	17,443	567	64.0	64.0
1974	715	103	612	100	268	179	547	1,159	16,851	548	64.5	64.5
1975	729	104	625	100	260	174	534	1,159	16,240	528	65.5	65.5
1976	744	105	639	100	252	168	520	1,159	15,609	507	66.5	66.5
1977	758	107	651	100	245	163	508	1,159	14,957	486	67.0	67.0
1978	774	108	666	100	236	157	493	1,159	14,284	464	68.0	68.0
1979	789	109	680	100	227	152	479	1,159	13,589	442	69.0	69.0
1980	805	111	694	100	219	146	465	1,159	12,872	418	69.5	69.5
1981	821	112	709	100	210	140	450	1,159	12,131	394	70.5	70.5
1982	837	113	724	100	201	134	435	1,159	11,366	369	71.5	71.5
1983	854	115	739	100	192	128	420	1,159	10,576	344	72.0	72.0
1984	871	116	755	100	182	122	404	1,159	9,761	317	73.0	73.0
1985	889	117	772	100	172	115	387	1,159	8,919	290	74.0	74.0
1986	906	119	787	100	163	109	372	1,159	8,050	262	74.5	74.5
1987	924	120	804	100	153	102	355	1,159	7,153	232	75.5	75.5
1988	943	121	822	100	142	95	337	1,159	6,226	202	76.5	76.5
1989	962	123	839	100	132	88	320	1,159	5,269	171	77.0	77.0
1990	981	124	857	100	121	81	302	1,159	4,281	139	78.0	78.0
1991	1,000	125	875	100	110	74	284	1,159	3,261	106	79.0	79.0
1992	1,021	127	894	100	99	66	265	1,159	2,208	72	79.5	79.5
1993	1,041	128	913	100	87	58	245	1,158	1,121	37	80.5	80.5
Totals	\$ 23,730	\$ 3,261	\$ 20,469	\$ 3,300	\$ 8,129	\$ 5,016	\$16,445	\$36,914	\$ - -	\$14,914	\$2,052.0	\$2,052.0

^{1/} Under this proposed financing arrangement, each state would bear the cost of constructing the bridge approaches on its side of the river. Each state would pay one-half of maintenance costs from other funds.

^{2/} Source: State of Washington, Department of Highways, Planning Division, "Report on the Proposed Astoria-Megler Toll Bridge, May, 1959"

^{3/} Subsidy: Oregon to pay basic subsidy of first \$100,000 of deficit in any year, Washington to pay 40 percent of any deficit over \$100,000 a year, not to exceed \$200,000 in any one year as proposed in Washington State Senate Bill No. 431.

^{4/} Construction period.

(Source: Oregon State Highway Dept.)



• • PROPOSED • COLUMBIA • RIVER • BRIDGE • AT • ASTORIA, • OREGON • •

